Northern Ireland Tourism Performance Overview

January – December 2015

tourism northernireland

Overview (Jan-Dec 2015 & Jan-March 2016)

Jan-Dec 2015 NI tourism performance figures for all markets combined (GB/Other overseas/ROI & NI) show little change in trips but some growth in nights and spend. The GB and Other overseas markets performed particularly well, with less positive results for the closer to home (NI and ROI) markets in the context of a challenging environment (including the wet weather, strong sterling, more favourable VAT rate in ROI, as well as reduced levels of marketing activity).

STRONG GB AND OTHER OVERSEAS PERFORMANCE

Increases in all key performance measures were evident for the GB and Other overseas markets. Trips grew by 10% as NI welcomed an impressive 121,000 more GB visitors compared with 2014, as well as an additional 55,000 visitors form Other overseas. The growth in GB and Other overseas trips was driven largely by increases in those visiting friends/relatives as well as holiday trips. Strong growth was also evident for business trips. GB and Other Overseas visitors stayed an extra 885,000 nights (+10%) compared with Jan-Dec 2014, spending an additional £38m (+8%).

DECLINES IN ROI VISITORS IN THE CONTEXT OF A CHALLENGING ENVIRONMENT

Jan-Dec 2015 figures show declines from the ROI market for most key performance measures, undoubtedly impacted by the weak euro which has reduced significantly in value against sterling over the last two years, and possibly also the poor weather experienced on the island of Ireland. The fall in ROI trips is largely due to a decrease in those visiting friends/relatives and for a holiday. ROI residents took significantly more trips to Mainland Europe in 2015, likely due to exchange rates and to benefit from sunnier climates. ROI residents may have invited their NI friends/relatives to head south instead to gain from the strong pound. The growth in ROI business trips is welcome.

DECLINES IN DOMESTIC TOURISM IN 2015 FOLLOWING A RECORD BREAKING 2014 (KEY MEASURES ARE STILL UP ON 2013)

Following a quiet second half of 2015 the 2% growth recorded in domestic overnight trips during Jan-June 2015 turned into a 4% decline for Jan-Dec 2015. The fall in domestic trips is largely due to declines in holiday trips, which were 9% less than those recorded for 2014. Like their ROI counterparts, NI residents also took more trips to Other overseas during 2015, likely choosing to replace a short domestic break with a holiday in the Eurozone to take advantage of the strong pound and hotter climates. Domestic nights and spend fell by 5% and 8% respectively. Domestic tourism increased significantly in 2014 and, while 2015 figures are down on the previous year, key measures (including trips, holiday trips and spend) are up on 2013.

ACCOMMODATION STATISTICS ARE POSITIVE FOR HOTELS BUT LESS SO FOR B&BS/GUEST HOUSES/GUEST ACCOMMODATION

Accommodation statistics for Jan-Dec 2015 were positive overall for the NI hotel industry (with record levels for both rooms and beds sold), but less so for B&Bs/guest houses and guest accommodation. Jan-March 2016 accommodation statistics paint the reverse picture, however these figures only relate to the first quarter of the year and could change as the year progresses.

INDUSTRY TOURISM BAROMETER PRESENTS MIXED RESULTS FOR JAN-DEC 2015

Findings from Tourism NI's December 2015 Industry Tourism Barometer (a survey of approximately 500 tourism businesses) also suggest a strong performance for hotels (during Jan-Dec 2015), with a more mixed performance for other accommodation sectors and tourism businesses.

OUTLOOK FOR 2016

The Republic of Ireland experienced very strong growth (+17%) in overseas visitors for the first quarter of 2016 which could bode well for Northern Ireland. The latest NI accommodation statistics (Q1 2016), coupled with feedback from the Northern Ireland industry, is that the year started slowly however outlook is positive for the summer season.

1) All Markets Combined (GB, Other Overseas, ROI & NI)

Figures may not add up to totals throughout due to rounding. Percentage and percentage point changes throughout are based on unrounded figures.

GB refers to Great Britain, ROI refers to Republic of Ireland and NI refers to Northern Ireland.
NISRA refers to the Northern Ireland Statistics and Research Agency and the CSO refers to the Central Statistics Office.

	Jan-Dec 2014	Jan-Dec 2015	% Change
Total trips (000)	4,512	4,515	No change
Total nights (000)	15,065	15,432	+2%
Total spend (£m)	751	760	+1%
Trips by market (000)			
GB	1,175	1,295	+10%
Other overseas	614	670	+9%
Total GB/Overseas	**1,789**	**1,965**	**+10%**
ROI	389	320	-18%
Total visitors from outside NI	**2,177**	**2,285**	**+5%**
NI	2,335	2,230	-4%
Total	**4,512**	**4,515**	**No change**
Trips by reason for visit (000)*			
Holiday	2,036	1,920	-6%
Visiting friends/relatives (VFR)	1,883	1,923	+2%
Business	376	462	+23%
Other	217	210	-3%

Sources: Northern Ireland Passenger Survey (NISRA), Survey of Overseas Travellers (Fáilte Ireland) Country of Residence Survey (CSO) & Continuous Household Survey (NISRA)

Strong GB & Other Overseas performance with a less positive picture for the closer to home markets (NI & ROI)

- Trips taken in NI in 2015 remained at 4.5m representing no change on the previous year, however 2014 was a record year for trips
- NI welcomed 2.3m visitors from outside NI in 2015, the highest number on record and a 5% increase on 2014
- GB visitors took an additional 121,000 trips in NI in 2015 compared with 2014 and those from Other overseas took 55,000 more trips, however these increases were wiped out by declines in ROI (-69,000) and domestic (-104,000) trips
- NI is likely benefitting from the significant growth in Other overseas visitors to the ROI coming over the border, as well as increased air capacity into NI
- The growth in Other overseas trips is largely due to increases from Mainland Europe

Strong growth in business trips, as well as VFR trips, was wiped out by a fall in holidays

- Large increases were evident for business trips taken in NI in 2015 (+86,000; +23%), due to growth from all main market areas (GB, Other overseas, ROI & NI). More GB and Other overseas visitors also chose to visit their friends/relatives in NI, resulting in a positive performance for this sector in 2015 (+40,000; +2%)
- Declines in holidays (due to a fall in trips taken by the domestic market as well as ROI residents) wiped out the business and VFR growth

Some increases in nights and spend

- Nights and spend increased by 2% (+367,000) and 1% (+£8.7m) respectively
- Large increases in both the GB and Other overseas markets for these key performance measures were reduced, but not wiped out by, by falls from the closer to home markets

2015 accommodation statistics are positive for hotels but less so for B&Bs/guest houses/guest accommodation

- Accommodation statistics for 2015 were positive overall for the NI hotel industry, but less so for B&Bs/guest houses/guest accommodation

Industry Tourism Barometer presents mixed results

- Findings from Tourism NI's December 2015 Industry Tourism Barometer also suggest a strong performance for hotels (during Jan-Dec 2015) with a more mixed performance for other accommodation sectors and tourism businesses

2016

- The ROI experienced very strong growth (+17%) in overseas visitors for the first quarter of 2016 which could bode well for NI. The latest NI accommodation statistics (Q1 2016), coupled with feedback from the NI industry, is that the year started slowly however outlook is positive for the summer season

2) Domestic Overnight Trips (NI to NI)

	Jan-Dec 2014	Jan-Dec 2015	% Change
Total trips (000)	2,335	2,230	-4%
Total nights (000)	5,049	4,791	-5%
Total spend (£m)	238	219	-8%
Trips by reason for visit (000)*			
Holiday	1,329	1,209	-9%
Visiting friends/relatives (VFR)	809	809	No change
Business	71	102	+43%
Other	125	110	-12%

Source: Continuous Household Survey (NISRA)

Competitor Performance

Positive performance for ROI & UK domestic tourism

- ROI residents took 2% more domestic trips and 6% more domestic holidays during 2015 compared with declines of 4% and 9% respectively for NI (although NI figures are up on 2013)
- GB domestic tourism performance was more positive, with total domestic trips up by 9% on 2014 and holidays up by 6%
- NI domestic spend fell by 8% compared with 2014 while our closest competitors experienced growth (ROI +4.5%; UK +9%)

Declines in domestic tourism compared with 2014 (which was a record breaking year), however key performance measures are up on 2013

- 89% of NI domestic trips in 2015 were short breaks lasting 1-3 nights
- Following a quiet summer period, the 2% growth recorded for domestic overnight trips for Jan-June 2015 turned into a 4% decline (-104,000) for Jan-Dec 2015
- The poor weather may have contributed to this downturn, as NI experienced a cold, damp summer
- Domestic tourism increased significantly in 2014 (trips +18%) and, while 2015 performance is down on the previous year, key measures (including domestic trips, holiday trips and spend) are up on 2013
- Domestic nights and spend fell by 5% and 8% respectively

Welcome growth in business trips - decline in domestic trips is largely due to a fall in holidays

- The 43% growth in domestic business trips (+31,000) is welcome
- The fall in domestic trips is largely due to declines in holiday trips, which were down 9% (-120,000) on Jan-Dec 2014
- Again, this fall follows significant domestic holiday growth in 2014 of over one quarter (+277,000). 2015 holiday trips are higher than those recorded for 2013

Strong pound encouraged NI residents to travel to Other Overseas as opposed to staying in sterling zone

- NI residents may have chosen to replace a domestic break with a holiday in the Eurozone to take advantage of the strong pound and sunnier climates
- In 2015 NI residents took an additional 167,000 overnight trips to Other overseas (excludes GB) compared with 2014 (+17%). However, they took fewer overnight trips in ROI, with the strong pound perhaps enabling NI residents to travel further in the Eurozone (and poor weather at home providing further encouragement)
- Dublin Airport has been advertising in NI and their figures confirm a surge in the number of NI residents using the airport
- Declines in NI trips to GB (-10%) were even greater than those experienced for NI domestic trips (-4%), as better value for money was obtained outside the sterling zone

Move towards shorter stay and reduced spend overall but increase in holiday spend

- NI residents are taking slightly shorter domestic breaks and spending less
- The average length of stay of a NI domestic trip has decreased slightly from 2.17 nights in 2014 to 2.15 in 2015
- The average spend per night on a NI domestic trip has also fallen (from £49 in 2014 to £46 in 2015)
- While domestic holiday trips are also getting slightly shorter, NI residents spent more on average per night (£56 in 2015 compared with £44 in 2014) resulting in a 6% growth (+£8.5m) in domestic holiday spend in 2015

3) ROI Residents' Overnight Trips to NI

	Jan-Dec 2014	Jan-Dec 2015	% Change
Total trips (000)	389	320	-18%
Total nights (000)	1,071	812	-24%
Total spend (£m)	68	57	-16%
Trips by reason for visit (000)*			
Holiday	163	115	-29%
Visiting friends/relatives (VFR)	156	112	-28%
Business	20	37	+84%
Other	49	55	+13%

Source: Country Residence Survey (CSO)

Competitor Performance

Significant growth in ROI outbound trips to Mainland Europe

- ROI residents took more domestic trips (+2%) and more outbound trips (+6%) during 2015
- The increase in outbound trips is solely due to increases in ROI trips to Europe (+17% compared with 2014), trips to all other main market areas declined
- ROI trips to GB fell by 3% (ROI trips to NI were down 18%), suggesting the strong pound may be deterring ROI residents from taking trips in sterling zone destinations

Declines are evident for most key performance measures in the context of a challenging environment

- Jan-Dec 2015 figures show declines from the ROI market for most key performance measures, undoubtedly influenced by the challenging exchange rate
- Year end figures are an improvement on the Jan-Sep 2015 figures, following a more positive last quarter overall
- ROI residents took 69,000 fewer overnight trip in NI compared with 2014
- They spent 7% fewer euros in NI however when converted to sterling, due to the exchange rate, the decline is even greater at 16%
- More favourable VAT rates in the ROI as well as reduced levels of marketing may also have impacted on this key market
- Met Eireann reported that July 2015 was one of the wettest, coldest and windiest on record in ROI which, together with the poor NI summer, encouraged ROI residents to seek out sunnier climates and take significantly more trips to Mainland Europe than they did in 2014

Welcome growth in business trips

- The increase in ROI business trips (+84%; +17,000) is welcome
- ROI residents took 29% fewer holiday trips in NI (-48,000) compared with Jan-Dec 2014 (with significant declines during the peak Q3 period)
- The fall in ROI trips is largely due to this drop in holidays as well as declines in VFR trips which fell by 28% (-44,000)
- Due to exchange rates and the poor IoI weather in 2015 ROI residents likely chose to holiday in the Eurozone and they may also have invited their NI friends/relatives to head south instead to benefit from the strong pound

Raised awareness in this market but more work to do

- Tourism NI's research shows that our advertising is working in terms of raising awareness
- We also know that RoI consumers respond well to good deals and offers which are difficult to provide for this market in the current climate
- There are indications that the euro is gaining strength against the pound

4) GB & Overseas Visitors to NI

	Jan-Dec 2014	Jan-Dec 2015	% Change
Total GB/other overseas (000)	1,789	1,965	+10%
GB trips (000)	1,175	1,295	+10%
Other overseas trips (000)	614	670	+9%
GB/overseas nights (000)	8,945	9,830	+10%
GB/overseas spend (£m)	446	484	+8%
Holiday	544	595	+10%
Visiting friends/relatives	918	1,002	+9%
Business	285	323	+13%
Other	42	45	+5%

Sources: Northern Ireland Passenger Survey (NISRA), Survey of Overseas Travellers (Fáilte Ireland) Country of Residence Survey (CSO)

Competitor Performance

- The ROI experienced strong growth in GB & Other Overseas trips in 2015 (+13.5%) driven by large increases of one fifth in holiday trips. Spend also grew by almost one fifth
- NI also experienced a positive 2015 performance from GB & Other overseas, as we likely benefitted from Other overseas visitors coming to NI as part of an all-island trip
- Overseas trips to the UK increased by 5% with a 2% increase in overseas holidays and nominal growth in spend

Strong performance overall for GB and Other Overseas visitors

- GB and Other overseas markets performed particularly well during 2015, with increases in all key performance measures
- Trips from each market grew by around 10% resulting in 121,000 additional GB trips and 55,000 more Other overseas trips compared with Jan-Dec 2014 (see overleaf for which markets are delivering the Other overseas growth)
- Following significant investment in infrastructure in recent years (including attractions such as Titanic Belfast and the Gobbins, as well as major events and developments around Game of Thrones), we are continuing to attract more GB and overseas visitors, and benefitting from additional nights and spend
- These are enabling us to create standout in the IoI and attract more visitors from overseas
- NI is also likely benefitting from the strong growth in Other overseas visitors to the ROI coming across the border, as well as increased air capacity on direct routes from Other overseas

Significant increases in nights and spend

- GB and Other Overseas visitors stayed an extra 885,000 nights (+10%) compared with Jan-Dec 2014, spending an additional £38m (+8%)
- Increases in nights and spend were evident for both GB and Other Overseas visitors

Growth across all sectors, including holiday trips

- The growth in GB and Other overseas trips was driven largely by increases in VFR trips as well as holiday trips, although all sectors demonstrated growth
- Holiday trips were up 10% (+52,000) on 2014 due to large increases from GB (+18%; +40,000) as well as growth in Other overseas holidays (+4%; +11,000)
- The 9% increase in VFR trips can also be largely attributed to GB (+9%; +63,000) as well as Other overseas VFR trips (+4%; +21,000)
- NI welcomed an additional 38,000 business visitors due to increases from both GB & Other overseas

4.1) GB & Overseas Visitors to NI by Country

Other overseas provide more holiday visitors than either GB or ROI

GB/Overseas Trips by Visitors' Home Country (000)

	Jan-Dec 2014	Jan-Dec 2015	% Change
GB	**1,175**	**1,295**	**+10%**
MAINLAND EUROPE	**265**	**311**	**+17%**
France	48	57	+18%
Germany	59	65	+10%
Italy	21	22	+2%
Netherlands	18	23	+25%
Spain	32	36	+12%
Other Europe	86	109	+26%
NORTH AMERICA	**227**	**229**	**+1%**
USA	181	181	No change
Canada	46	48	+5%
OTHER OVERSEAS	**122**	**130**	**+6%**
Australia	47	46	-1%
New Zealand	8	11	+36%
Other	67	72	+8%

GB Trips by Reason for Trip (000)

	Jan-Dec 2014	Jan-Dec 2015	% Change
Holiday	228	268	+18%
Visiting friends/relatives	702	765	+9%
Business	222	243	+10%
Other	23	19	-18%

Other Overseas Trips by Reason for Trip (000)

Holiday	316	327	+4%
Visiting friends/relatives	217	238	+10%
Business	63	79	+27%
Other	19	25	+34%

Sources: Northern Ireland Passenger Survey (NISRA), Survey of Overseas Travellers (Fáilte Ireland) Country of Residence Survey (CSO)

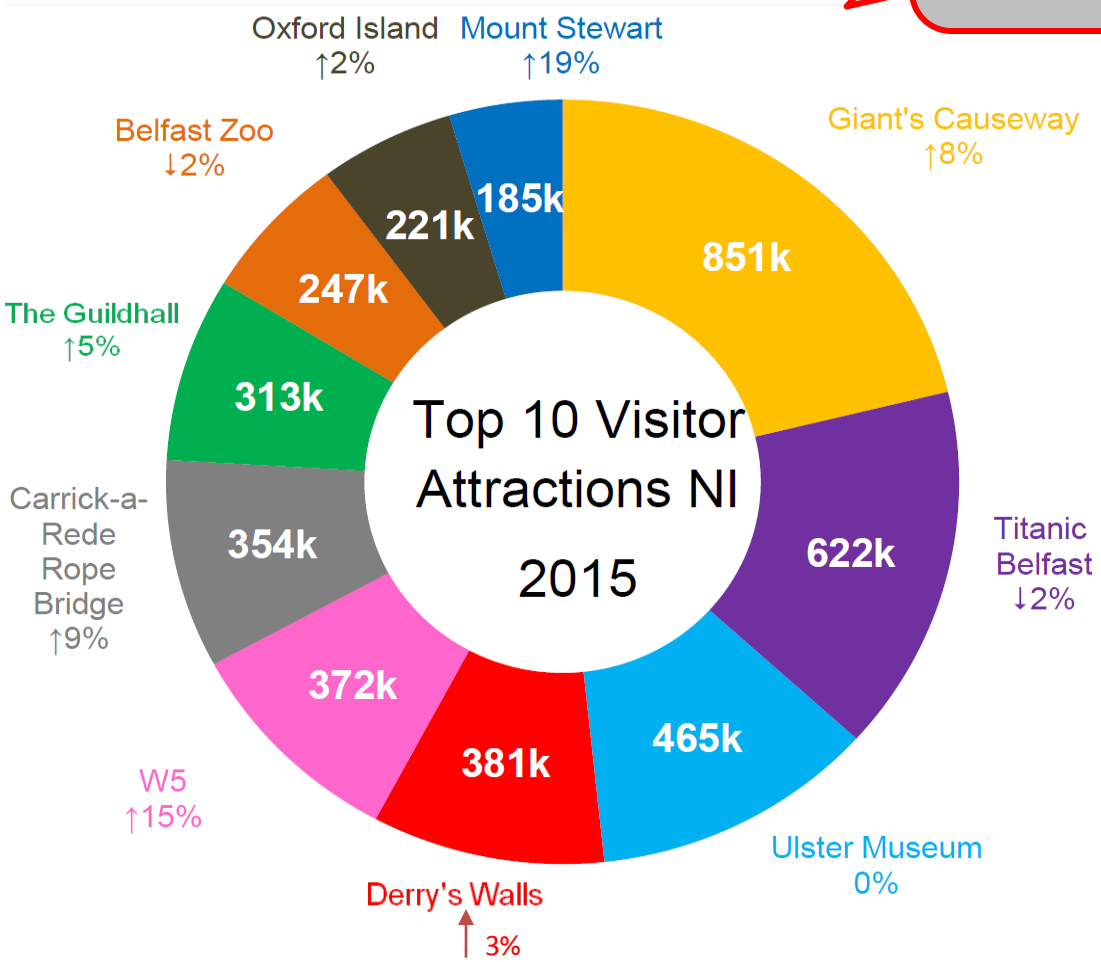
Other Overseas growth driven largely by Mainland Europe

- The growth in Other overseas trips (+9%; +55,000) can largely be attributed to increases from Mainland Europe which delivered 46,000 more visitors (+17%) in 2015 (due to increases from all sectors)
- Half of the additional Other overseas visitors came from 'Other Europe'
- North American trips grew nominally (increases in business and VFR trips were wiped out by declines in holiday trips)
- Visitors from further afield took 8,000 more trips in NI (+6%) due to growth in business and holiday trips

5) NI Visitor Attraction Statistics (Jan-Dec 2015)

There were 17.5m visits to NI visitor attractions in 2015, representing no change on 2014. However visits to NI's top ten attractions increased by 5%

Top Ten NI Visitor Attractions (excluding country parks/ parks/ forests/ gardens)



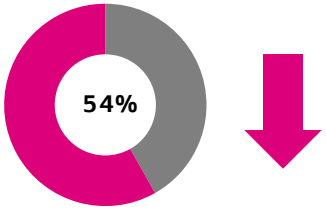
Arrow indicates percentage increase/decrease between 2015 and 2014

Source: Northern Ireland Visitor Attraction Survey (NISRA)
This is a voluntary survey. Attractions can request that their figures are not published.

6) Hotel Performance

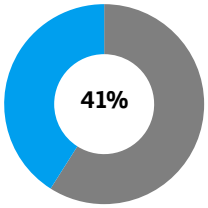
2015 was an excellent year for hotels in Northern Ireland. While the year to date (Jan-Mar 2016) figures for hotels haven't been able to match those achieved during Jan-Mar 2015, bed-spaces sold are still well above those recorded for the first 3 months of 2014

Room Occupancy Jan-Mar 2016



-5pps on Jan-Mar 2015

Bed-space Occupancy Jan-Mar 2016



-3pps on Jan-Mar 2015

pps = percentage points

- Overall Jan-Mar 2016 hotel room occupancy and bed-space occupancy was down compared with the same period in 2015

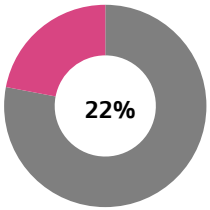
- The number of hotel rooms sold during Jan-Mar 2016 decreased by 7% to 382,427. Bed-spaces sold during Jan-Mar 2016 recorded a decrease of 4% to 661,895

Rooms Sold	382,427	Down 7% on Jan-Mar 2015	No change on Jan-Mar 2014
Bedspaces Sold	661,895	Down 4% on Jan-Mar 2015	Up 18% on Jan-Mar 2014

- Hotel capacity over the Jan-Mar 2016 period remained unchanged compared with Jan-Mar 2015, with 136 hotels operating 7,851 rooms and 17,609 bed-spaces

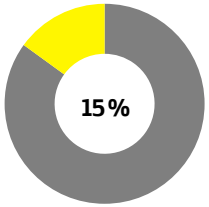
7) Guest House, Guest Accommodation and B&B Performance

Room Occupancy Jan-Mar 2016



+4pps on Jan-Mar 2015

Bed-space Occupancy Jan-Mar 2016



+4pps on Jan-Mar 2015

pps = percentage points

Rooms Sold 60,843 — Up 31% on Jan-Mar 2015

Bed-spaces Sold 99,733 — Up 36% on Jan-Mar 2015

Jan-Mar 2016 was positive overall for guesthouses, guest accommodation and B&Bs, realising growth for occupancy and sales

- The Guesthouse, guest accommodation and B&B occupancy rates were up compared with Jan-Mar 2015. Room and bed-space occupancy both increased by 4 percentage points to record a room occupancy of 22% and bed-space occupancy of 15%
- The number of rooms sold increased by around one third while bed-spaces sold recorded an increase of 36% compared to Jan-Mar 2015
- At the end of March 2016 there were 685 guesthouses, guest accommodation and B&B establishments (excluding campus) operating with 3,001 rooms and 6,879 bed-spaces available, showing a 2% increase on both rooms and bed-spaces available compared with the end March 2015